

Order at Para 12. Similarly, the Commission only approved the (now apparently moot) British Telecom/MCI proposal "subject to conditions and safeguards that ensure the merger will enhance competition in the United States." FCC Press Release of August 21, 1997, 1997 WL 476070.

The Commission should take notice that the conditions it imposed in the one of these two mergers which has actually been consummated (i.e., Bell Atlantic/NYNEX) are, even according to MCI, not being complied with. MCI has already filed a formal complaint with the Commission charging that Bell Atlantic has violated one of the conditions of its merger with NYNEX, calling for the local carrier to connect rivals carriers to its networks at "forward looking" economic costs. (ICP believes that AT&T has made and lodged similar complaints). The area (and number of consumers) affected by the alleged violation of the condition is by no means small: it involves local networks and consumers in Pennsylvania, New Jersey, Delaware, Maryland, Virginia, and the District of Columbia. See, e.g., the Associated Press newswire of Dec. 22, 1997, 15:33 EST.

The hypothetical conditions which might attempt to address the anticompetitive and other adverse effects of this WorldCom/MCI proposal would have to be even more expansive (and also harder to enforce) than those that MCI and others claim that Bell Atlantic has already violated. This calls into question whether conditions could render this proposal in the public interest, convenience and necessity.

Recent announcements, including AT&T's with regard to local telephone service, undermine the claimed benefits. See Associated Press newswire of Dec. 19, 1997, 18:13 EST:

"One after the other, the nation's largest long-distance phone companies have pulled back from selling local phone services to residential customers... MCI Corporation... this past summer pulled back from the more difficult job of selling local phone service to homes... While a glum sign for consumers, the pullbacks have cheered investors worried that local markets are turning into money pits."

OTHER ISSUES WHICH MUST BE ADDRESSED

As demonstrated above, this proposal should be denied on anticompetitive, universal service and public interest grounds. There are, however, a number of other issues, including adverse managerial issues and effects on members of the public that must also be considered. For example:

AT&T's Slamming: AT&T despite its recent (and as yet unproven) steps against slamming, has been a major "slammer" in New York. See, e.g., NY Regulators May Pursue Penalty Against AT&T, Reuters, Feb. 19, 1998: "In a statement released Wednesday, the [Public Service C]ommission said slamming complaints against AT&T declined only slightly after the company filed a corrective plan in June 1997, but complaints have started to increase again. The commission... said it has received 371 slamming complaints against AT&T since June 1997..." This adverse managerial issue must be addressed in this proceeding, and, along with the other grounds set forth herein, militate for a hearing and for denial of the application.

ACC Corporation in Rochester, New York, in the process of being acquired by TCG, has canceled its agreement to acquire (and, it was claimed, improve) US Wats, Inc., headquartered in Pennsylvania. The unchecked deal-making (TCG to buy ACC;

AT&T to buy TCG) in fact disrupts those few smaller transactions that arguably would have resulted in increased capitalization, etc., of smaller players which might well compete for moderate income residential consumers.

ICP has learned that BellSouth has challenged AT&T's application, as inter alia informationally incomplete. See, e.g., Warren's Communications Daily of March 23, 1998. While ICP agrees that the Application, and its "public interest" argument, is woefully inadequate, ICP is asking the FCC to adopt, in this proceeding, a consumers' (as opposed to competitor's) perspective. ICP notes that BellSouth is attempting to use TCG's recent, and redlining, entry into Florida markets (see supra) as proof that it has competition for local service in Florida. See Palm Beach Post of March 11, 1998, supra. For the reasons explained above, competition for business and for affluent, predominantly non-minority residential customers is not full competition, and should not result in the BOCs and ILECs getting what they want (entry into local distance). If the FCC does not require some benefits to ALL communities and classes of consumers, now, those excluded will remain excluded.

See Communications Daily of February 19, 1998, AT&T Challenges RHC Arguments That Conn. Market Benefits From Competition: AT&T released study Tuesday that disputes Bell company arguments that Southern New England Telephone (SNET) long distance entry had produced lower prices and increased competition in Conn. and should be model for nation. [AT&T's] analysis by Lee Selwyn, of Economics & Technology, Boston, found SNET rates were identical to long distance carriers, and competition still was hindered by SNET control of market and lax regulatory policies. Selwyn said: 'Rather

than demonstrate any durable competitive benefit... the "Connecticut Experience" teaches volumes about the dangers of premature BOC long distance entry before local competition is given a chance to take root."

There ARE competitive issues, not addressed by AT&T's application: despite AT&T's bare-bone filing with the FCC, there ARE competitive issues that must be considered in this proceeding. TCG was one of the first CLECs in New York or elsewhere; not only is it significant that TCG has YET to meaningfully serve/compete for residential customers, particularly in lower income, more predominantly minority communities -- it also must be noted that AT&T purported to be competing for local service in New York, and now withdraws from competition by re-selling (which could, as the FCC has noted, more quickly bring competition to residential consumers), and buys one of the longest standing CLEC (with the record cited above). Under established FCC antitrust doctrines (including potential and other competition), these issues must be considered and addressed.

Further note that, given the lack of specificity of AT&T's application, no legitimate competitive analysis can be done. For example, AT&T CFO Dan Somers in March 1998 told a conference sponsored by Bloomberg LP that AT&T will begin offering local phone service in areas TCG already serves "once its deal for the company closed." Palm Beach Post of March 6, 1998, at 3D. These markets, and AT&T's precise plans, are not disclosed in the application. These plans SHOULD be disclosed, and scrutinized in light of the issues raised above.

CONCLUSION

For the foregoing reasons, AT&T's and Teleport's applications, and this proposed combination, should be denied by the Commission.

Respectfully submitted,

Matthew Lee

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& Inner City Public Interest Law Project
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Fax: 718 716-3161

CERTIFICATE OF SERVICE

I, Matthew Lee, do hereby certify that true and correct copies of the foregoing Petition to Deny were sent by first-class, postage prepaid mail, this 26th day of March, 1998, to the following:

Federal Communications Commission
Magalie Roman Salas, Secretary
Room 222
1919 M Street, NW,
Washington, DC 20554

International Transcription Service, Inc.
1231 20th Street
Washington, D.C. 20036

Policy and Program Planning Division
Common Carrier Bureau
Attn: Chief, Room 544
1919 M Street, N.W.
Washington, D.C. 20554

International Bureau, FCC
Policy and Facilities Branch
Attn: Chief, Room 800
2000 M Street, N.W.
Washington, D.C. 20554

Wireless Telecommunications Bureau, FCC
Commercial Wireless Division
Attn: Chief, Room 700
2025 M Street, N.W.
Washington, D.C. 20554

Wireless Telecommunications Bureau, FCC
Private Wireless Division
Attn: Chief, Room 8010
2025 M Street, N.W.
Washington, D.C. 20554

AT&T
Attn: Robin Flowers,
Regional Director
32 Avenue of the Americas
New York, NY 10013

Mark D. Schneider, Esq.
Sidley & Austin
Counsel for AT&T
1722 Eye Street, N.W.
Washington, D.C. 20006

J. Manning Lee, Esq.
Teleport Communications Group, Inc.
Two Teleport Drive, Suite 300
Staten Island, NY 10311

Matthew Lee

Matthew R. Lee

ACC CORP.
400 WEST AVENUE
ROCHESTER, NEW YORK 14611

March 27, 1998

Dear Stockholder:

You are invited to attend a Special Meeting of Stockholders (the "Special Meeting") of ACC Corp., a Delaware corporation ("ACC"), to be held at the offices of Nixon, Hargrave, Devans & Doyle LLP, 437 Madison Avenue, 24th Floor, New York, New York 10022, on Tuesday, April 21, 1998 at 11:00 a.m., local time.

The purpose of the Special Meeting is to consider and vote upon the Agreement and Plan of Merger, dated as of November 26, 1997 (the "Merger Agreement"), by and among ACC, TCG Merger Co., Inc., a Delaware corporation ("MergerCo"), and Teleport Communications Group Inc., a Delaware corporation ("TCG"), and all related transactions, including, without limitation, the merger of MergerCo with and into ACC (the "Merger"). If the Merger is consummated, ACC will survive the Merger as a wholly-owned subsidiary of TCG, and the shares of the Class A Common Stock of ACC, par value \$0.015 per share (the "ACC Stock"), that are issued and outstanding at the effective time of the Merger (other than shares held in ACC's treasury, or by a wholly-owned subsidiary of ACC, which will be canceled without any consideration being issued or paid therefor) will be converted automatically into the right to receive a number of shares of the Class A Common Stock of TCG, par value \$0.01 per share (the "TCG Class A Common Stock"), to be determined pursuant to the Exchange Ratio (as defined below). A copy of the Merger Agreement is included as Appendix A to the attached Proxy Statement/Prospectus.

The "Exchange Ratio" means:

- (i) if the Average Price (as defined below) is less than \$45.00, 1.11111;
- (ii) if the Average Price is equal to or greater than \$45.00, but not in excess of \$55.00, a fraction, the numerator of which shall be \$50.00 and the denominator of which shall be the Average Price; or
- (iii) if the Average Price is greater than \$55.00, 0.90909;

subject to payment of cash in lieu of any fractional share.

The "Average Price" means the average of the last reported sales prices per share of the TCG Class A Common Stock as reported on The Nasdaq National Market for the ten consecutive trading days immediately preceding the trading day immediately prior to the date on which the closing of the Merger occurs.

Approval and adoption of the Merger Agreement and approval of the Merger require the affirmative vote of a majority of the outstanding shares of ACC Stock, either in person or by proxy.

THE BOARD OF DIRECTORS OF ACC HAS UNANIMOUSLY APPROVED AND ADOPTED THE MERGER AGREEMENT AND APPROVED THE MERGER AND UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND APPROVAL OF THE MERGER.

This Letter to Stockholders, the attached Notice of Special Meeting, the form of proxy and the Proxy Statement/Prospectus were first mailed to ACC's stockholders on or about March 30, 1998.

In reaching its determination regarding the Merger Agreement and the Merger, the Board considered, among other things, the opinion of Morgan Stanley & Co. Incorporated as to the fairness, from a financial point of view, of the consideration to be received by the stockholders of ACC pursuant to the Merger. The opinion of Morgan Stanley & Co. Incorporated is included as Appendix B to the attached Proxy Statement/Prospectus.

The Board of Directors has fixed the close of business on March 18, 1998 as the record date for determination of stockholders entitled to notice of and to vote at the Special Meeting.

In view of the importance of matters to be acted upon at the Special Meeting, you are invited personally to attend the Special Meeting. Regardless of whether you expect to be present in person at the Special Meeting,

you are encouraged to complete, date, sign and return the enclosed proxy in the accompanying envelope, which requires no postage if mailed in the United States. Once you have submitted a proxy, you may revoke it at any time prior to its exercise at the Special Meeting by delivering a written notice to the Assistant Secretary of ACC that the proxy is being revoked, by submitting a properly executed proxy bearing a later date than the proxy being revoked or by voting in person at the Special Meeting.

Sincerely,

Robert M. Van Degna,
Chairman of the Board of Directors

STOCK CERTIFICATES SHOULD NOT BE SENT WITH THE ENCLOSED PROXY. IF THE MERGER IS CONSUMMATED, STOCKHOLDERS WILL BE FURNISHED INSTRUCTIONS FOR EXCHANGING THEIR ACC STOCK FOR TCG CLASS A COMMON STOCK.

ACC CORP.

Proxy Statement for Special Meeting of Stockholders To Be Held April 21, 1998

TELEPORT COMMUNICATIONS GROUP INC.

Up To 23,000,000 Shares of Class A Common Stock, \$0.01 Par Value Per Share

This Proxy Statement/Prospectus and the appendices thereto (the "Proxy Statement/Prospectus") are being furnished in connection with the solicitation of proxies by the Board of Directors of ACC Corp., a Delaware corporation ("ACC"), from holders of record as of the close of business on March 18, 1998 (the "Record Date") of ACC's outstanding shares of Class A Common Stock, par value \$.015 per share (the "ACC Stock"), for use at a special meeting of stockholders of ACC (the "Special Meeting") to be held on April 21, 1998 at the time and place and for the purposes specified in the accompanying notice and at any adjournments or postponements of the Special Meeting.

At the Special Meeting, stockholders will be asked to consider and vote upon the following proposal (the "Proposal"): that the Agreement and Plan of Merger dated as of November 26, 1997 (the "Merger Agreement"), by and among ACC, TCG Merger Co., Inc., a Delaware corporation and wholly-owned subsidiary of TCG ("MergerCo"), and Teleport Communications Group Inc., a Delaware corporation ("TCG"), and all related transactions, be approved, including, without limitation, the merger of MergerCo with and into ACC (the "Merger"), pursuant to which (i) ACC will survive the Merger and become a wholly-owned subsidiary of TCG and (ii) the shares of Class A Common Stock of ACC, par value \$.015 per share (the "ACC Stock"), that are issued and outstanding at the effective time of the Merger (other than shares held in ACC's treasury or by a wholly-owned subsidiary of ACC, which will be canceled without any consideration being issued or paid therefor) will be converted automatically into the right to receive a number of shares of the Class A Common Stock of TCG, par value \$.01 per share (the "TCG Class A Common Stock"), to be determined pursuant to the Exchange Ratio (as defined in "The Merger Agreement—The Merger"). A copy of the Merger Agreement is attached hereto as Appendix A.

The Board of Directors of ACC recommends that the stockholders vote **FOR** the Proposal.

See "Risk Factors" beginning on page 20 for a discussion of certain risk factors that should be considered by holders of ACC Stock in evaluating the proposed Merger to be voted on at the Special Meeting and the acquisition of the shares of TCG Class A Common Stock offered hereby.

TCG has entered into an agreement to be acquired by AT&T Corp., a New York corporation ("AT&T"), in a transaction in which all stockholders of TCG, including stockholders of ACC who become stockholders of TCG in the Merger, would become stockholders of AT&T. For more information concerning TCG's anticipated acquisition by AT&T, see "The AT&T Merger" on page 45 of this Proxy Statement/Prospectus.

The Proposal will be voted upon by the stockholders of ACC and must be approved by the affirmative vote of a majority of the outstanding shares of ACC stock, either in person or by proxy. Failure of the Proposal to be approved by the stockholders will result in the abandonment by ACC of the Proposal.

Stockholders of ACC will not have the right under Delaware General Corporation Law to seek an appraisal of their shares of ACC Stock in connection with the Merger. See "The Special Meeting—No Rights of Dissenting Stockholders."

**THE SECURITIES TO BE ISSUED PURSUANT TO THIS PROXY STATEMENT/PROSPECTUS
HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE
COMMISSION (THE "COMMISSION") OR ANY STATE SECURITIES COMMISSION NOR
HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON
THE ACCURACY OR ADEQUACY OF THIS PROXY STATEMENT/PROSPECTUS.
ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**ACC SHAREHOLDERS ARE ADVISED TO OBTAIN CURRENT MARKET QUOTATIONS FOR
TCG CLASS A COMMON STOCK. NO ASSURANCE CAN BE GIVEN CONCERNING THE
MARKET PRICE FOR TCG CLASS A COMMON STOCK BEFORE OR AFTER THE DATE ON
WHICH THE MERGER IS CONSUMMATED. THE MARKET PRICE FOR TCG CLASS A COMMON
STOCK WILL FLUCTUATE BETWEEN THE DATE OF THIS PROXY STATEMENT/PROSPECTUS
AND THE DATE ON WHICH THE MERGER IS CONSUMMATED AND THEREAFTER.**

ACC CORP.

Proxy Statement for Special Meeting of Stockholders To Be Held April 21, 1998

TELEPORT COMMUNICATIONS GROUP INC.

Up To 23,000,000 Shares of Class A Common Stock, \$0.01 Par Value Per Share

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The Board of Directors of ACC recommends that the stockholders vote FOR the Proposal.

See "Risk Factors" beginning on page 20 for a discussion of certain risk factors that should be considered by holders of ACC Stock in evaluating the proposed Merger to be voted on at the Special Meeting and the acquisition of the shares of TCG Class A Common Stock offered hereby.

TCG has entered into an agreement to be acquired by AT&T Corp., a New York corporation ("AT&T"), in a transaction in which all stockholders of TCG, including stockholders of ACC who become stockholders of TCG in the Merger, would become stockholders of AT&T. For more information concerning TCG's anticipated acquisition by AT&T, see "The AT&T Merger" on page 45 of this Proxy Statement/Prospectus.

The Proposal will be voted upon by the stockholders of ACC and must be approved by the affirmative vote of a majority of the outstanding shares of ACC stock, either in person or by proxy. Failure of the Proposal to be approved by the stockholders will result in the abandonment by ACC of the Proposal.

Stockholders of ACC will not have the right under Delaware General Corporation Law to seek an appraisal of their shares of ACC Stock in connection with the Merger. See "The Special Meeting—No Rights of Dissenting Stockholders."

THE SECURITIES TO BE ISSUED PURSUANT TO THIS PROXY STATEMENT/PROSPECTUS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") OR ANY STATE SECURITIES COMMISSION NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROXY STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

ACC SHAREHOLDERS ARE ADVISED TO OBTAIN CURRENT MARKET QUOTATIONS FOR TCG CLASS A COMMON STOCK. NO ASSURANCE CAN BE GIVEN CONCERNING THE MARKET PRICE FOR TCG CLASS A COMMON STOCK BEFORE OR AFTER THE DATE ON WHICH THE MERGER IS CONSUMMATED. THE MARKET PRICE FOR TCG CLASS A COMMON STOCK WILL FLUCTUATE BETWEEN THE DATE OF THIS PROXY STATEMENT/PROSPECTUS AND THE DATE ON WHICH THE MERGER IS CONSUMMATED AND THEREAFTER.

The date of this Proxy Statement/Prospectus is March 27, 1998.

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**ACC CORP.
400 WEST AVENUE
ROCHESTER, NY 14611**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON APRIL 21, 1998**

To the Stockholders of ACC Corp.:

Notice is hereby given that a Special Meeting of Stockholders (the "Special Meeting") of ACC Corp., a Delaware corporation ("ACC"), will be held at the offices of Nixon, Hargrave, Devans & Doyle LLP, 437 Madison Avenue, 24th Floor, New York, New York 10022, on Tuesday, April 21, 1998 at 11:00 a.m., local time, for the following purposes:

(1) To consider and vote upon approval and adoption of the Agreement and Plan of Merger dated as of November 26, 1997 (the "Merger Agreement") by and among ACC, TCG Merger Co., Inc., a Delaware corporation ("MergerCo"), and Teleport Communications Group Inc., a Delaware corporation ("TCG"), and all related transactions, including, without limitation, the merger of MergerCo with and into ACC (the "Merger"), pursuant to which (i) ACC will survive the Merger and become a wholly-owned subsidiary of TCG and (ii) the shares of Class A Common Stock of ACC, par value \$.015 per share (the "ACC Stock"), that are issued and outstanding at the effective time of the Merger (other than shares held in ACC's treasury or by a wholly-owned subsidiary of ACC, which will be canceled without any consideration being issued or paid therefor) will be converted automatically into the right to receive a number of shares of the Class A Common Stock of TCG, par value \$.01 per share (the "TCG Class A Common Stock"), to be determined pursuant to the Exchange Ratio (as defined below). A copy of the Merger Agreement is included as Appendix A to the attached Proxy Statement/Prospectus.

(2) To vote upon such other business as may properly come before the Special Meeting or any adjournment or postponement thereof.

The "Exchange Ratio" means:

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- (ii) if the Average Price is equal to or greater than \$45.00, but not in excess of \$55.00, a fraction, the numerator of which shall be \$50.00 and the denominator of which shall be the Average Price; or
- (iii) if the Average Price is greater than \$55.00, 0.90909;

subject to payment of cash in lieu of any fractional share.

The "Average Price" means the average of the last reported sales prices per share of the TCG Class A Common Stock as reported on The Nasdaq National Market for the ten consecutive trading days immediately preceding the trading day immediately prior to the date on which the closing of the Merger occurs.

The Merger Agreement and the Merger are more fully described in the accompanying Proxy Statement/Prospectus and the Appendices attached thereto.

Only stockholders of record at the close of business on March 18, 1998, are entitled to notice of the Special Meeting and to vote at the Special Meeting and any adjournment or postponement thereof.

YOUR VOTE IS IMPORTANT. PLEASE SIGN AND DATE THE ENCLOSED PROXY CARD AND RETURN IT PROMPTLY IN THE ENCLOSED RETURN ENVELOPE, WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING. YOU MAY REVOKE YOUR PROXY AND VOTE IN PERSON SHOULD YOU DECIDE TO ATTEND THE MEETING.

By Order of the Board of Directors,

Robert M. Van Degna,
Chairman of the Board of Directors

you are encouraged to complete, date, sign and return the enclosed proxy in the accompanying envelope, which requires no postage if mailed in the United States. Once you have submitted a proxy, you may revoke it at any time prior to its exercise at the Special Meeting by delivering a written notice to the Assistant Secretary of ACC that the proxy is being revoked, by submitting a properly executed proxy bearing a later date than the proxy being revoked or by voting in person at the Special Meeting.

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Robert M. Van Degna.
Chairman of the Board of Directors

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The Merger is intended to be a tax-free reorganization in which the ACC stockholders will not recognize taxable gain, except to the extent cash is received in lieu of fractional shares, and to be accounted for as a purchase. See "The Merger—Certain Federal Income Tax Consequences" and "—Anticipated Accounting Treatment."

This Proxy Statement/Prospectus also constitutes a prospectus of TCG with respect to the shares of TCG Class A Common Stock to be issued in the Merger. The TCG Class A Common Stock is traded on The Nasdaq National Market ("Nasdaq") under the symbol "TCGI". The last reported sale price of the TCG Class A Common Stock as reported on Nasdaq on March 25, 1998 was \$59¹/₁₆ per share. This Proxy Statement/Prospectus, the attached Notice of Special Meeting and Letter to Shareholders, and the enclosed form of proxy were first mailed to ACC's shareholders on or about March 30, 1998.

Any person giving a proxy in the form accompanying this Proxy Statement/Prospectus has the power to revoke it at any time before its exercise. The proxy may be revoked by filing with the Assistant Secretary of ACC an instrument of revocation or a duly executed proxy bearing a later date. The proxy may also be revoked by affirmatively electing to vote in person while attending the Special Meeting. However, a shareholder who attends the meeting need not revoke the proxy and vote in person unless the shareholder wishes to do so. All valid, unrevoked proxies will be voted at the Special Meeting in accordance with the instructions given.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION WITH RESPECT TO THE MATTERS DESCRIBED IN THIS PROXY STATEMENT/PROSPECTUS OTHER THAN THOSE CONTAINED HEREIN AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS PROXY STATEMENT/PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY SECURITIES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS PROXY STATEMENT/PROSPECTUS NOR ANY DISTRIBUTION OF THE SECURITIES OFFERED HEREBY SHALL, UNDER ANY CIRCUMSTANCES, IMPLY OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF TCG OR ACC OR IN THE INFORMATION SET FORTH HEREIN SUBSEQUENT TO THE DATE HEREOF.

AVAILABLE INFORMATION

TCG has filed with the Commission a Registration Statement on Form S-4 (the "Registration Statement") under the Securities Act of 1933, as amended (the "1933 Act"), with respect to the shares of TCG Class A Common Stock described in this Proxy Statement/Prospectus and to be issued pursuant to the Merger Agreement. Each of TCG and ACC is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith, files reports, proxy statements and other information with the Commission.

The Registration Statement, and exhibits thereto, and the proxy statements and reports of each of TCG and ACC can be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Commission's regional offices located at 500 West Madison Street, Suite 1400, Chicago, Illinois 60661, and 7 World Trade Center, Suite 1300, New York, New York 10048. Copies of such materials can be obtained by mail from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. The Commission also maintains a Web site at <http://www.sec.gov> which contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission. The TCG Class A Common Stock is listed on Nasdaq under the symbol "TCGI". The ACC Stock is listed on Nasdaq under the symbol "ACCC". Reports and other information concerning ACC and TCG can be inspected at Nasdaq at 1735 K Street, N.W., Washington, D.C. 20006.

This Proxy Statement/Prospectus does not contain all the information set forth in the Registration Statement or the exhibits thereto, as permitted by the rules and regulations of the Commission. Each statement made in this Proxy Statement/Prospectus concerning a document filed as an exhibit is qualified in its entirety by reference to such exhibit for a complete statement of its provisions. The omitted portions of the Registration Statement may be obtained through EDGAR at <http://www.sec.gov>. Such additional information also may be obtained from the Commission's principal office in Washington, D.C. Statements contained in this Proxy Statement/Prospectus as to the contents of any contract or other document referred to herein or therein are not necessarily complete, and in each instance reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement or such other document, each such statement being qualified in all respects by such reference.

All information in this Proxy Statement/Prospectus relating to TCG has been supplied by TCG, and all information relating to ACC has been supplied by ACC. The pro forma financial information contained herein regarding TCG has been prepared by TCG and includes historical financial information regarding ACC that was supplied to TCG by ACC. ACC and TCG have made certain covenants and representations to each other with respect to the information contained in this Proxy Statement/Prospectus. See "The Merger Agreement—Certain Covenants."

SUMMARY

The following summary is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Proxy Statement/Prospectus and the information and financial statements, including notes thereto, included in this Proxy Statement/Prospectus, all of which should be reviewed carefully. References in this Proxy Statement/Prospectus to "TCG" refer to Teleport Communications Group Inc. and its consolidated subsidiaries, unless the context otherwise requires. References in this Proxy Statement/Prospectus to "ACC" refer to ACC Corp. and its consolidated subsidiaries, unless the context otherwise requires. Unless otherwise indicated, as used herein, the terms "pro forma" or "on a pro forma basis" assume that the reorganization of TCG undertaken in June 1996 in connection with TCG's initial public offering (the "TCG Reorganization") had occurred at the beginning of the year presented.

Summary of the Merger

Merger. The Merger Agreement provides that MergerCo will merge with and into ACC in accordance with the Delaware General Corporation Law (the "DGCL") and the separate existence of MergerCo will cease, and ACC, as the surviving corporation in the Merger (the "Surviving Corporation"), shall continue its corporate existence under Delaware law as a wholly-owned subsidiary of TCG. The Merger will become effective at the time of the filing of the Certificate of Merger with the Secretary of State of Delaware or at such later time as specified in the Certificate of Merger (the "Effective Time"). See "The Merger Agreement—The Merger—Merger." A copy of the Merger Agreement is attached hereto as Appendix A.

Merger Consideration. Each of the issued and outstanding shares of ACC Stock as of the Effective Time (other than shares held in ACC's treasury, or by a wholly-owned subsidiary of ACC, which will be canceled without any consideration being issued or paid therefor) shall be converted into the right to receive that number of shares of TCG Class A Common Stock equal to the product of one multiplied by the Exchange Ratio. The "Exchange Ratio" means:

- (i) if the Average Price (as defined below) is less than \$45.00, 1.11111;
- (ii) if the Average Price is equal to or greater than \$45.00, but not in excess of \$55.00, a fraction, the numerator of which shall be \$50.00 and the denominator of which shall be the Average Price; or
- (iii) if the Average Price is greater than \$55.00, 0.90909;

subject to payment of cash in lieu of any fractional share.

The "Average Price" means the average of the last reported sales prices per share of the TCG Class A Common Stock as reported on Nasdaq for the ten consecutive trading days immediately preceding the trading day immediately prior to the date on which the closing of the Merger occurs (the "Closing Date").

No fractional shares of TCG Class A Common Stock shall be issued. In lieu of fractional shares, any person who would otherwise be entitled to a fractional share of TCG Class A Common Stock shall receive an amount in cash equal to the value of such fractional share. Such value shall be the product of such fraction multiplied by the last sales price of TCG Class A Common Stock as reported on Nasdaq on the business day immediately prior to the Closing Date. See "The Merger Agreement—The Merger—Merger Consideration."

Stock Options and Stock Incentive Rights. At the Effective Time, TCG shall cause each holder of a then-outstanding and unexercised option (the "ACC Options") or stock incentive right (the "ACC SIRs") exercisable for shares of ACC Stock to receive options or stock incentive rights, respectively, exercisable for shares of TCG Class A Common Stock having the same terms and conditions as the ACC Options and ACC SIRs, except that the exercise price and the number of shares issuable upon exercise shall be divided and multiplied, respectively, by the Exchange Ratio. ACC Options and ACC SIRs will become fully exercisable as a result of the Merger. See "The Merger Agreement—The Merger—Stock Options and Stock Incentive Rights."